Message Text

CONFIDENTIAL

PAGE 01 SANTIA 00657 101457Z

44

ACTION ARA-20

INFO OCT-01 ISO-00 PM-07 NSC-10 SPC-03 SAM-01 SS-20 RSC-01

CIAE-00 INR-10 NSAE-00 DODE-00 OMB-01 MC-02 ACDA-19

L-03 EUR-25 AID-20 IGA-02 TRSE-00 H-03 PRS-01 DRC-01

/150 W

----- 117941

R 101232Z FEB 74

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 7423

INFO AMEMBASSY BOGOTA

AMEMBASSY BRASILIA

AMEMBASSY BUENOS AIRES

AMEMBASSY CARACAS

AMEMBASSY LA PAZ

AMEMBASSY QUITO

CONFIDENTIAL SANTIAGO 657

E.O. 11652: GDS

TAGS: PFOR, MASS, CI, BR, CO, VE, BL, EC, AR

SUBJ: KUBISCH-DE LA FLOR MEMCON: ARMS ACQUISITIONS

1. THE FOREIGN MINISTER RAISED THE SUBJECT OF A POSSIBE LATIN AMERICAN ARMS RACE. HE SAID THE PERUVIAN GOVERNMENT UNDERSTANDS THE USG IS PLANNING TO SELL TWO DESTROYERS, TWO SUBMARINES AND OTHER MAJOR MILITARY ITEMS TO THE CHILEAN GOVERNMENT. HE SAID THAT SUCH ARMS ACQUISITIONS TRIGGER COMPETITIVE PURCHASES IN NEIGHBORING COUNTRIES, AND RAISE FEARS THAT TRADITIONAL RIVARIES WILL INTESIFY ONCE AGAIN.

2 HE SAID PRESIDENT VELASCO HAS ANNOUNCED THAT THE GOP IS READY TO LIMIT ARMS ACQUISITIONS, BUT NOT TO FREEZE PERU INTO A DISADVANTAGED LEVEL OF MAJOR MATERIEL HOLDINGS VIS A VIS CHILE AND OTHER COUNTRIES. HE REMAKRKED THAT THE ECUADORIEANS WITH INCREASING OIL REVENUES, MAY BE TEMPTED TO BUY MORE ARMS. HE SAID THAT A CHAIN REACTION MAY THEN DEVELOP FOR CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SANTIA 00657 101457Z

ACQUISITION OF VERY SOPHISTICATED WEAPONS FOR MANY LATIN

AMERICAN COUNTRIES, REQUIRING FUNDS WHICH THESE NATIONS CANNOT AFFORD TO TAKE AWAY FROM THEIR ECONOMIC AND SOCIAL DEVELOPMENT PROGRAMS. HE ASLO COMMENTED THAT PERU, AS PRESIDENT VELASCO HAS SAID, WILL BUY ITS ARMS FORM WHEREVER IT PLEASES AT TERMS MOST FAVORABLE TO PERU'S INTERESTS. HE SAID THAT MUCH OF PERU'S PRESENT ARMS ARE OUTDATED AND THAT SINCE OTHER COUNTRIES ARE REARMING, THE PERUVIANS MUST DO SO ALSO.

- 3. MR. KUBISCH ASKED IF THE PERUVIAN GOVT PLANS TO BUY MORE SOVIET ARMS AS A PART OF ITS REARMING EFFORT. DE LA FLOR REPLIED-SOMEWHAT DEFENSIVELY--THAT HE HAS NOT EVEN SEEN THE SOVIET TANKS WHICH RECENTLY ARRIVED, BUT DEFENDED PERU'S NEED FOR MODERN TANKS. IN RESPONSE TO KUBISCH'S QUESTION, DE LA FLOR MENTIONED THAT THERE ARE ONLY FOUR TO SIX SOVIET EXPERTS IN THE COUNTRY, AND THEY ARE HERE FOR A FEW MONTHS TO TRAIN PERUVIANS IN THE USE OF THIS NEWLY ACQUIRED MATERIEL. AMBASSADOR BELCHER MENTIONED TO THE FOREIGN MINISTER THAT HE UNDERSTOOD THERE ARE AT LEAST FIFTEEN SOVIET MILITARY TECHNICIANS IN LIMA NOW WHO ARE STAYING AT THE PERUVIAN CIRCULO MILITAR.
- 4. DE LA FLOR SAID THAT THE U.S. HAS IN THE PAST REFUSED TO PROVIDE PERU WITH NEEDED ARMS, BUT ACKNOWLEDGED IN THE ENSUING DISCUSSION THAT THESE RESTRICTIONS--LINKED TO TUNA FISHERY PROBELMS OF PRIOR YEARS--HAVE BEEN LIFTED FOR MANY MONTHS NOW.
- 5. MR. KUBISCH SAID THAT THE LATIN AMERICAN ARMS-IMPORTING NATIONS MIGHT WANT TO CONSIDER GETTING TOGETHER TO LIMIT FUTURE ARMS PURCHASES. HE SAID THE USG CANNOT DECIDE UNILATERALLY HOW MUCH MILITARY EQUIPMENT SHOULD BE SOLD TO LATIN AMERICA AND TO WHOM,

AND DELIVERIES ALREADY PLEDGED--FOR EXAMPLE,
THE TWO DESTROYERS TO CHILE--CANNOT IN GOOD FAITH BE STOPPED
ONCE COMMITMENTS ARE MADE. HE SUGGESTED THAT ONE SOLUTION
MIGHT BE FOR THE RECIPIENTS OF ARMS TO TRY AND WORK OUT AN
AGREEMENT, RATHER THAN ASKING THE VENDOR NATIONS TO
DO SO. HE ALSO WONDERED WHETHER THE UK, FRANCE, AND THE
SOVIET UNION WOULD BE WILLING TO LIMIT THEIR ARMS SALES IN
THIS AREA.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SANTIA 00657 101457Z

6 AS AN EXAMPLE OF THE PROBLEM FOR THE USG, AMBASSADOR BELCHER MENTIONED THAT THE US IS PROCESSING THE PERUVIAN GOV'T REQUEST FOR TWELVE TO TWENTY-FOUR F-5S, AND OTHER COUNTRIES IN THE AREA ALSO WANT NEWER AND IMPROVED AIRCRAFT. DE LA FLOR ASKED ABOUT THE POSSIBLE SALE OF F-4 PHANTOMS IN LATIN AMERICA, AND MR. KUBISCH REPLIED THAT THE US HAS PROVIDED SUCH AIRCRAFT ELSEWHERE, BUT HE KNEW OF NO CASE

WHERE THE F-4 WAS UNDER CONSIDERATION, FOR SALE TO ANY LATIN AMERICAN COUNTRY. AMBASSADOR BELCHER ADDED THAT THE CONTE-LONG AMENDMENT ALSO PROHIBITS THE INTRODUCTION OF SUCH SOPHISTICATED HARDWARE IN LATIN AMRICAN THROUGH U.S. MILITARY ASSISTANCE PROGRAMS. POPPER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: MILITARY EQUIPMENT, PROCUREMENT, SALES, MILITARY ASSISTANCE, REARMAMENT, ARMS SHIPMENTS, ARMS CONTROL

AGREĖMENTS Control Number: n/a Copy: SINGLE Draft Date: 10 FEB 1974 Decaption Date: 01 JAN 1960

Decaption Note: Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974SANTIA00657
Document Source: CORE
Document Unique ID: 00

Document Unique ID: 00

Drafter: n/a Enclosure: n/a Executive Order: GS Errors: N/A Film Number: n/a From: SANTIAGO Handling Restrictions: n/a

Image Path: ISecure: 1

Legacy Key: link1974/newtext/t19740243/aaaabogz.tel

Line Count: 121 Locator: TEXT ON-LINE Office: ACTION ARA

Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a

Page Count: 3

Previous Channel Indicators: n/a Previous Classification: CONFIDENTIAL Previous Handling Restrictions: n/a Reference: n/a

Review Action: RELEASED, APPROVED

Review Authority: golinofr Review Comment: n/a Review Content Flags: Review Date: 04 SEP 2002 **Review Event:** Review Exemptions: n/a

Review History: RELEASED <04 SEP 2002 by boyleja>; APPROVED <10 DEC 2002 by golinofr>

Review Markings:

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Review Media Identifier: Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE

Subject: KUBISCH-DE LA FLOR MEMCON: ARMS ACQUISITIONS

TAGS: PFOR, MASS, CI, BR, CO, VE, BL, EC, AR To: STATE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005